

GENERAL SERVICES ADMINISTRATION MODERNIZATION ACT

SPEECH OF

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 2005

Mr. TOM DAVIS of Virginia. Mr. Speaker, H.R. 2066, the General Services Administration Modernization Act, was introduced by myself and Armed Services Chairman Hunter last month and approved by the Committee on Government Reform by unanimous consent on May 5, 2005.

The legislation would authorize a much needed reorganization and streamlining of the General Services Administration, the federal agency charged with leveraging the federal government's buying power to purchase commercial goods and services for the federal government at the best value possible in order to maximize the use of taxpayer funds.

This legislation has been under consideration in the Government Reform Committee for a number of years and has been the subject of multiple legislative and oversight hearings. It was also included in the President's budget proposal for fiscal year 2006.

Mr. Speaker, each year GSA buys products and services from the private sector worth well over \$30 billion and resells them to federal agencies through two different Services. The Federal Technology Service uses the Information Technology Fund to purchase information technology, and the Federal Supply Service uses the General Supply Fund to purchase commercial goods and services.

This bifurcated system may have made sense when the IT fund was created two decades ago, when information technology was in its infancy. Today, however, laptop computers, cell phones, and e-mail are as ubiquitous as desks and phones. The business case for a separate system to handle IT goods and services no longer exists. In fact, the bifurcated system has become a barrier to coordinated acquisition of management services and the technology needed to support a total solution.

Since 2002, Administrator Perry has instituted and is currently carrying out an internal reorganization aimed at establishing GSA as a modern enterprise more reflective of the current market. H.R. 2066 would assist those efforts. Critical to Administrator Perry's efforts to modernize the General Services Administration is ensuring that the structural reforms are memorialized in GSA's organic legislation so that the remedies will endure.

To accomplish this, H.R. 2066 would consolidate the Federal Supply Service and the Federal Technology Service into a single entity operating out of a unified fund, providing federal agencies with a one-stop shop to acquire all of their commercial goods and services. This change in statute would provide GSA with the structure it needs to bring it in line with the current commercial market.

Specifically, the legislation would amend the Federal Property and Administrative Services Act of 1949 to create a new "Federal Acquisition Service," to be headed by a high-level Commissioner appointed by the GSA Administrator. H.R. 2066 would also provide that the new Federal Acquisition Service be supported by a newly created "Acquisition Services Fund" consisting of the assets of the old Information Technology and Supply Funds.

In addition, H.R. 2066 would authorize the GSA Administrator to appoint up to five "Regional Executives" for the Federal Acquisition Service to facilitate closer oversight and more management control over acquisition-related activities.

Finally, Mr./Madam Speaker, the General Services Administration Modernization Act would authorize retention bonuses and reemployment relief aimed at maintaining the strength and experience of the federal government's civilian acquisition workforce.

The environment in which the federal government purchases goods and services has changed dramatically in recent decades. Relinquishing the federal agency charged with purchasing goods and services for the rest of the federal government to an organizational structure that was constructed to function in a different era is a waste of taxpayer dollars. H.R. 2066 would remove the old structures that inhibit efficient federal purchases of solutions that are a mix of products, services and technology. The federal marketplace should reflect the best of the commercial marketplace: both in the products and services we buy and the way we buy them.

A PROCLAMATION RECOGNIZING THE OHIO ARMY NATIONAL GUARD'S 216TH ENGINEER BATTALION

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 2005

Mr. NEY. Mr. Speaker:

Whereas, the 216th was mobilized in January 2004 and supported the 1st Infantry Division in Iraq from March 2004 to February 2005; and

Whereas, the 216th conducted four hundred and fifty combat patrols and completed over three hundred and fifty missions at forty separate locations in north central Iraq and An Najaf; and

Whereas, the 216th played a critical role in improving force protection at forward operating bases and fixed check points as well as in preparation of Iraq's national election.

Therefore, I congratulate the Ohio National Guard's 216th Engineer Battalion on their receipt of the Meritorious Unit Commendation for exceptionally meritorious conduct in the performance of outstanding services during military operations against an armed enemy.

BUSINESS CHECKING FREEDOM ACT OF 2005

SPEECH OF

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 23, 2005

Mr. OXLEY. Mr. Speaker, I rise in strong support of H.R. 1224, the Business Checking Freedom Act of 2005, which repeals antiquated banking laws that prohibit banks from paying interest on business checking accounts and the Federal Reserve from paying interest on funds that banks and other depository institutions are required by law to maintain at the Federal Reserve Banks.

Mr. Speaker, it may surprise some of our colleagues to know that since 1933, banks have been unable to pay interest on business checking accounts. The law was originally intended to ensure that larger banks did not use higher interest payments to lure deposits away from small, rural banks to fund stock market speculation. While at the time this law may have been wise public policy—although even that is debatable—in the year 2005 it is a relic of a financial world that no longer exists.

There is little doubt that now, with the current complex and competitive nature of the financial services industry, all depository institutions would benefit from the ability to offer business checking accounts and are more than able to manage the potential risks involved.

In fact, as the financial services industry grows more competitive and more complex, antiquated laws that limit the competitive capacities of financial institutions only harm the customer's ability to find appropriate financial solutions. Repealing the ban on interest on business checking accounts will free banks to compete for business customers on a level playing field, and promote the development of bank products and services geared toward a small business clientele that is ill-served by the current prohibition.

In addition to providing small businesses with much-needed regulatory relief, H.R. 1224 would authorize the payment of interest on certain reserves that depository institutions are required to maintain at the Federal Reserve. Current law prohibits such payments, thereby imposing a "hidden tax" on depository institutions and placing them at a competitive disadvantage relative to non-bank financial firms and foreign banks that are not subject to the same reserve requirements. If, under the Federal Reserve Act, banks, thrifts, and credit unions are required to hold funds against transaction accounts, simple fairness dictates that the Federal Reserve should be required to pay interest on those reserve balances. Federal Reserve Chairman Alan Greenspan has testified on numerous occasions that repealing the current prohibition would have the additional benefit of facilitating the Federal Reserve's management of U.S. monetary policy.

The bill also contains a hard fought compromise by Mr. GILLMOR of Ohio and Mr. FRANK of Massachusetts that addresses the authority of industrial loan companies (ILCs) to offer interest-bearing accounts to their business customers. The provision specifies that an ILC which obtained deposit insurance prior to October 1, 2003, is authorized to pay interest on a business account, provided the ILC is owned by the same parent company that owned it as of that date. Other ILCs could also offer such interest-bearing accounts, provided that at least 85 percent of the gross revenues of their parent company and other affiliates were derived from activities that were financial in nature or incidental to a financial activity during at least three of the prior four calendar quarters.

Mr. Speaker, legislation substantially similar to H.R. 1224 has been approved by this body on several prior occasions, including twice in the last Congress. The Bush administration has previously endorsed authorizing banks to pay interest on business checking accounts. In addition, H.R. 1224 is strongly supported by all segments of the small business community, including the National Federation of Independent Business and the U.S. Chamber of

Commerce, and by America's Community Bankers.

I want to conclude by thanking two valued Members of the Financial Services Committee, the gentlelady from New York, Mrs. KELLY and Mr. GILLMOR from Ohio, who have worked tirelessly over several Congresses to advance this legislation, as well as our Ranking Minority Member, Mr. FRANK, who has contributed greatly to this legislation and has been strongly supportive of the overall effort on this bill.

Mr. Speaker, I urge all of my colleagues to vote in favor of H.R. 1224.

PERSONAL EXPLANATION

HON. J. GRESHAM BARRETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 2005

Mr. BARRETT of South Carolina. Mr. Speaker, due to family obligations in South Carolina, I unfortunately missed recorded votes on the House floor on Monday, May 23, 2005.

I ask that the Record reflect that had I been able to vote that day, I would have voted "yes" on rollcall vote No. 200 (Motion to Suspend the Rules and Pass H.R. 744—Internet Spyware (I-SPY) Prevention Act of 2005), "yes" on rollcall vote No. 201 (Motion to Suspend the Rules and Pass H.R. 29—Securely Protect Yourself Against Cyber Trespass Act), and "yes" on rollcall vote No. 202 (Motion to Suspend the Rules and Pass H. Con. Res. 149—Recognizing the 57th Anniversary of the independence of the State of Israel).

A PROCLAMATION RECOGNIZING TAMALA LONGABERGER

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 2005

Mr. NEY. Mr. Speaker:

Whereas, Tamala Longaberger has been appointed by President George W. Bush to chair the National Women's Business Council; and

Whereas, Tamala Longaberger will oversee the bipartisan federal advisory body to provide advice to the President, Congress, and the United States Small Business Administration on economic issues important to women business owners; and

Whereas, Tamala Longaberger has served as the chief executive officer of the number one maker of handmade baskets, Longaberger Company, for ten years; and

Whereas, Tamala Longaberger should be commended for her service in the Newark, Ohio and surrounding areas and to the Republican Party.

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in honoring and congratulating Tamala Longaberger for her outstanding appointment.

IN SPECIAL RECOGNITION OF
QUINTEN S. WISE ON HIS AP-
POINTMENT TO ATTEND THE
UNITED STATES MILITARY
ACADEMY AT WEST POINT

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 2005

Mr. GILLMOR. Mr. Speaker, it is my great pleasure to pay special tribute to an outstanding young man from Ohio's Fifth Congressional District. I am happy to announce that Quinten S. Wise of Waterville, Ohio has been offered an appointment to attend the United States Military Academy at West Point, New York.

Quinten's offer of appointment poises him to attend the United States Military Academy this fall with the incoming cadet class of 2009. Attending one of our nation's military academies is an invaluable experience that offers a world-class education and demands the very best that these young men and women have to offer. Truly, it is one of the most challenging and rewarding undertakings of their lives.

Quinten brings an enormous amount of leadership, service, and dedication to the incoming class of West Point cadets. While attending Anthony Wayne High School in Whitehouse, Ohio, Quinten has attained a grade point average of 3.95, which places him near the top of his class of more than three hundred students. While a gifted athlete, Quinten has maintained the highest standards of excellence in his academics, choosing to enroll and excel in Advanced Placement classes throughout high school. Quinten has been a member of the National Honor Society, Honor Roll, and has earned awards and accolades as a scholar and an athlete.

Outside the classroom, Quinten has distinguished himself as an excellent student-athlete. On the fields of competition, he has earned letters in both Varsity Football and Baseball. Quinten has served as class president for four years and was selected as a 2004 delegate to the American Legion's Boys State. Quinten's dedication and service to the community and his peers has proven his ability to excel among the leaders at West Point. I have no doubt that Quinten will take the lessons of his student leadership with him to West Point.

Mr. Speaker, I ask my colleagues to join me in congratulating Quinten S. Wise on his appointment to the United States Military Academy at West Point. Our service academies offer the finest military training and education available anywhere in the world. I am sure that Quinten will do very well during his career at West Point and I ask my colleagues to join me in wishing him well as he begins his service to the nation.

PERSONAL EXPLANATION

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 2005

Mr. GALLEGLY. Mr. Speaker, on Monday, May 23, 2005 I was unable to vote on a motion to suspend the rules and pass H.R. 744,

the Internet Spyware Prevention Act of 2005 (rollcall No. 200); H.R. 29, Securely Protect Yourself Against Cyber Trespass Act (rollcall No. 201); and H. Con. Res. 149, Recognizing the 57th Anniversary of the Independence of the State of Israel (rollcall No. 202). Had I been present, I would have voted "yea" on all three measures.

TRIBUTE TO CHARLES E. WALKER

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 24, 2005

Mr. RUPPERSBERGER. Mr. Speaker, I rise today to pay tribute to Charles E. Walker.

Charles Walker is a Government Affairs Officer with the Army Corps of Engineers and he will be retiring this year after thirty years of outstanding work in the Federal service.

Charles Walker has consistently demonstrated a high level of performance throughout his career serving our nation, starting with his service in the United States Army. He joined the Army in 1966 and fought in the Vietnam conflict. He left the Army in 1969 and returned to continue his education.

He earned his Russian Language Certificate from Leningrad University and a P.h.D. from West Virginia University in 1973. Prior to Vietnam, Charles Walker had been a secondary school teacher in Baltimore City. He returned to teaching in 1973 as a History Lecturer at Anne Arundel Community College and remained there until 1974.

In 1975, Charles Walker entered the Federal service as a historian in the Historical Office of the Headquarters of the Army Corps of Engineers. He left the Corps in 1978 to become an aide to the Mayor of Baltimore City and returned to teaching in 1979, taking a position as a U.S. Government instructor at Towson University.

Since 1980, Charles Walker has been working exclusively as a member of the Federal service. First as a Senior Soviet Research Analyst at the Library of Congress in 1980, he became a Public Affairs Specialist with the Corps of Engineers. He again left the Corps in 1982. In 1987, Charles Walker became the Public Affairs Director for the Maryland Department of the Environment.

In 1991, Charles Walker began his current position as a Government Affairs Officer with the Army Corps of Engineers. His professionalism, dedication, diligence and enthusiasm have had a significant positive impact on the Corps as it serves its mission.

The Baltimore District of the Corps serves five states and helps to design and construct facilities and provide real estate services to support America's Army. The Corps also plays an active role in maintaining important navigation channels to secure the safety of national commerce in addition to the many public service engineering projects it performs in our communities.

Mr. Speaker, I ask my colleagues to join me in thanking Charles E. Walker for his service to our nation and honoring him on the occasion of his retirement.